

ALL ABOARD OHIO TESTIMONY ON THE OHIO TRANSPORTATION BUDGET - HB 26 (AS INTRODUCED)  
FEBRUARY 22, 2017 - BEFORE THE OHIO HOUSE FINANCE COMMITTEE

Mr. Chairman and Members of the Finance Committee. My name is Ken Prendergast, I am Executive Director of ALL ABOARD OHIO which is an association representing the 500,000 Ohioans who use passenger rail and public transit in Ohio each day. I am here today to inform you that Ohio is falling way behind our neighboring states when it comes to passenger rail – a growth industry that has seen ridership grow nationwide by 50 percent since 2000.

As such, Ohio is missing out on opportunities to improve mobility and traveler productivity, grow jobs in Ohio's rail supply industry, and attract private real estate investment that helps revitalize the downtowns of Ohio's towns and smaller cities. These are opportunities that Ohio's competitor states are seizing. They are best our Buckeye State.

Let's start with the "state up north." It invested over \$800 million on passenger rail in the last decade, boosting rail ridership by 60% and pumping more than \$60 million of economic life into Michigan communities, big and small, each year. We can be envious of the Ann Arbor resident who, on any morning, can catch a modern train at 7:30 a.m., eat breakfast while traveling at 110 mph in any weather, be productive while they hold a meeting, safely call, text, catch up on their e-mails or just catch up on their sleep, and be in Chicago in only four hours. By this time next year, that trip will be cut by another 30-45 minutes.

This is just one of 10 passenger trains a day – and growing – in Michigan that go up to 110 miles per hour from cities like Detroit, Ann Arbor, Port Huron, Kalamazoo, Battle Creek, Grand Rapids and their state capital of Lansing to Chicago – the economic capital of the Midwest.

Michigan's Republican Governor Rick Snyder says "Michigan can be the centerpiece of a broader logistical connection that goes all the way from St. Louis to Chicago to Detroit and continues on to Toronto and Montreal. Rail can solve some real problems. It can be economically efficient and contribute to sustainability and also an urban lifestyle, something our young people are looking for."

In Illinois, that state has invested more than \$2 billion in passenger rail since 2000 to improve multiple routes, including train speeds increased to 110 mph between St. Louis and Chicago. It's not just the big cities at the ends that will benefit. Soon, Bloomington will be less than two hours from Chicago's Loop, a fact not lost on real estate developers who are investing in hotels, offices and housing near the train station. And their state capital of Springfield will be less than three hours from Chicago, saving Illinois taxpayers tens of millions of dollars per year in state motor pool travel costs, and boosting state worker productivity as they travel between cities and the state capital. Smaller Illinois towns like Dwight, Pontiac, Lincoln and Alton also are served and benefiting.

Illinois Transportation Secretary Randy Blakenhorn said "None of this could have happened without the leadership of Governor Bruce Rauner and his commitment to keeping Illinois the transportation hub of North America." Illinois' governor is also a Republican.

Our bipartisan neighbors to the immediate east and west, in Pennsylvania and Indiana, are also investing in more and better passenger rail. In fact, Ohio is the most populous state in the union without an ongoing passenger rail development program. Ohio is also the 5th-largest rail industry supply state, as measured by employment, so it has a lot more to gain from Ohio being in a leader in passenger rail.

Unfortunately, Ohio has invested less than \$2 million in the past decade into passenger rail infrastructure. Half of that came just last year to help fund the Toledo Lucas County Port Authority's improvement of passenger rail facilities at its growing multi-modal hub just south of downtown. Another half-million was invested in the Lorain County Transportation Center so passengers could board trains from more than one track and thereby ease rail traffic congestion on Norfolk Southern's busy Chicago Line. Not only does that rail corridor carry a lot of freight, it also carries 600,000 passengers a year – that's enough to completely fill a dozen Boeing 737 jets every day. Keeping that rail corridor's growing freight and passenger traffic moving with smart infrastructure investments is important to Ohio's future.

That's one of Ohio's two passenger rail routes. And we have those only because it is difficult to link the growing rail hubs in Chicago and the East Coast without going through Ohio. Even so, those routes travel along the northern and southern edges of our state with nighttime trains only. The southern route has a stop in Cincinnati as well as cross-river stations in Maysville, South Portsmouth, Ashland and Huntington. The northern route stops in Cleveland, Alliance, Elyria, Sandusky, Toledo and Bryan. Despite this, ridership at Ohio stations is up anywhere from 29 percent at Cleveland to 76 percent at Elyria in the last decade.

We are proposing, along with many other communities and businesses that have already put up \$350,000 of their own funds, to begin the necessary planning for high-performance passenger and freight rail from Columbus, Marysville, Kenton and Lima to Fort Wayne and Chicago. This would allow OSU students and business travelers along the route to enjoy an affordable, rapid and comfortable means of transportation to the Midwest's first- and third-largest cities. It would also erase Columbus' label as the largest metro area in the Western Hemisphere without any passenger rail service.

While communities and businesses are investing their share, we need the Legislature's help to fill in the missing pieces. Thus, we are requesting \$23.6 million in funding over the next two years, or less than \$12 million per year – only one-fifth of that would come from state money and be freed up by funds from the nationwide Volkswagen Settlement which will bring \$71 million to Ohio. An eligible use of those funds is for Ohio transit modernization. The state transit funding we are proposing to use already exists, and because of the VW Settlement, we can tap more federal dollars – this time for multi-modal transportation centers that include rail, local and long-distance buses, and taxis. The federal dollars for passenger rail and multi-modal stations were included in the current FAST Act, thanks to Republican Senator John Thune of South Dakota – a state that doesn't even have any passenger rail service – and thanks to the Republican leadership of the last Congress.

How the nearly \$12 million per year will be used is attached in a four-page document that you should have in front of you. Among the list of immediate needs is a new station in Oxford where the city and Miami University are putting up real dollars for more than half of the projected cost. Or in Bryan, OH

where almost as people many board the trains per year as live in that city, and where its existing, 35-year-old station facility needs to be replaced. And in Cincinnati, a new station platform and track needs to be built at Union Terminal to ease rail traffic congestion in the Queensgate Yard vicinity, as well as to enable the expansion of passenger rail service to Southwest Ohio.

Please notice that our request does not include any operating costs – only infrastructure planning and construction. Ohio has a very insignificant amount of passenger rail as compared to other states because of the lack of funding. Ohio is a great state, and an economic engine for the Midwest. Let's keep Ohio moving in the right economic direction by investing in this growing transportation mode some very specific, much-needed projects through ODOT's budget for passenger rail infrastructure. I thank you for your time and consideration, and I would be happy to answer any questions.

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